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This report will be published in the next available edition of the BWXTymes and the ORNL Reporter. If you would like a copy of the report prior to the publication in the periodicals, please contact:

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## **2001 Benefits Plans Summary Annual Report**

### **Plan Participants and Beneficiaries**

***(The 2001 benefits plans report has been prepared in accordance with instruction from the U.S. Department of Labor and is required by the Employee Retirement Income Security Act of 1974.)***

**This report summarizes the annual reports of the benefit plans provided by the sponsoring employers, BWXT Y-12, L.L.C. (Employer Identification Number: 54-1987297) and UT-Battelle, L.L.C. (Employer Identification Number: 62-1788235.) The report is written in language specified under regulations prepared by the U.S. Department of Labor.**

**The sponsoring employers offered benefit plans under three structures during calendar year 2001. The qualified retirement and savings plans are multiple employer plans, with both employers participating and under an administrative services agreement, BWXT Y-12, L.L.C. serving as the plan sponsor and plan administrator. Five health and welfare plans (The Group Health Plan, The Dental Assistance Plan, The Group Life Plan, The Special Accident Plan, and the Travel Accident Plan) were provided under a Multiple Employer Welfare Agreement, with an administrative services agreement that has BWXT Y-12, L.L.C. serving as the plan administrator. The individual companies sponsored separate health and welfare plans for Long Term Disability, Employee Assistance, Education Assistance, a Cafeteria Plan and a Severance Plan for Salaried Employees.**

**Complete annual reports for all the offered plans have been filed with the Internal Revenue Service as required by the Employee Retirement Income Security Act of 1974.**

### **Summary Annual Report**

## **Multiple Employer Plans**

**Retirement Program Plan for Employees of Certain Employers of the U.S. Department of Energy Facilities at Oak Ridge, Tennessee (The Retirement Plan).**

**The following is a summary of the annual report for the Retirement Plan for 2001.**

### **Basic financial statement**

**Benefits under the plan are provided by group annuity contracts and separate trust investment accounts. Plan expenses were \$157,336,746. These expenses include \$142,704,979 paid to participants and beneficiaries and \$14,631,767 in administrative expenses. A total of 22,414 persons were participants in or beneficiaries of the plan at the end of the plan year, although not all of these persons had yet earned the right to receive benefits.**

**The value of plan assets after subtracting liabilities of the plan, were \$2,579,464,442 as of December 31, 2001, compared to \$2,858,201,427 as of January 1, 2001. During the year, the plan experienced a decrease of \$278,736,985. The plan had a loss of (\$119,826,221) including earnings and losses from investments. During the plan year, the plan transferred \$1,574,018 to other pension plans.**

**The plan has contracts with the Metropolitan Life Insurance Company and the Prudential Insurance Company of America that guarantee the liabilities of all participants retiring before July 1998. The assets of the plan are invested in Separate Accounts of the insurance companies or in separate trust accounts in accordance with the contract terms.**

### **Minimum funding standards**

**An actuary's statement shows that enough money was contributed to the plan to keep it funded in accordance with the minimum funding standards.**

### **Your right to additional information**

**Participants have the right to receive a copy of the full annual report, or any part of it, upon request. The items listed below are included in that report.**

- an accountant's report
- assets held for investment
- insurance information
- actuarial information regarding the funding of the plan
- transactions in excess of five percent of plan assets

**Savings Program for Employees of Certain Employers at the U.S. Department of Energy Facilities at Oak Ridge, Tennessee (The Savings Plan)**

**This is a summary of the annual report of the Savings Plan for 2001, including basic financial statements.**

**Benefits under the Savings Plan are provided by a trust fund. Plan expenses were \$67,485,813; including benefits paid to participants of \$66,855,026 and administrative expenses of \$630,787. A total of 10,352 were participants in or beneficiaries of the Plan at the end of the plan year, although not all these persons had yet earned the right to receive company matching contributions.**

**The value of plan assets as of December 31, 2001, after subtracting liabilities of the plan, was \$1,032,785,084 compared to \$1,023,397,618 as of January 1, 2001. During the year, the plan experienced an increase in net assets of \$9,387,486. This increase includes the unrealized appreciation or depreciation in the value of the plan assets; that is the difference between the value of plan assets at the end of the year and the value of assets at the beginning of the year or the cost of assets acquired during the year. The plan had total income of \$76,873,279; including employer contributions of \$15,763,726; employee contributions of \$40,438,235; realized and unrealized gains and investment earnings of \$20,424,434.**

**Your right to additional information**

**Participants have the right to receive a copy of the full annual report, or any part of it, upon request. The items listed below are included in that report.**

- an accountant's report
- assets held for investment
- transactions in excess of five percent of plan assets

## **Multiple Employer Welfare Agreement (MEWA)**

**Under this agreement, the participating employers jointly offer health and welfare plans, including health, life, special accident, travel accident and dental. Insurance policies for the plans included in the MEWA are held in trust by the Oak Ridge Benefit Insurance Trust. This is a summary of the plans included in the MEWA.**

### **Group Welfare Benefit Plan**

**The Group Welfare Benefit Plan operates under contracts between the participating employers and various health care providers which include true insurance contracts (premiums paid for services provided) and other insurance arrangements that require that the participating companies will supply funds for the payment of all claims due under the terms of the contracts, up to a specified maximum determined each plan year. For the plan year 2001, the maximum (Cigna Option I Plan) was \$63,766,122. The companies share the cost of the Group Welfare Benefit Plan with the participants by charging premiums to the employees.**

**For the plan year ended December 31, 2001, the total premiums paid were \$19,521,013. Details on premiums paid are provided by the insurance companies in their reports to the plan sponsor.**

<b>Plan Name</b>	<b>Insurance Provider</b>	<b>Total Premium Paid in 2001</b>
<b>Group Health</b>	<b>Cigna-Option II</b>	<b>\$8,951,730</b>
<b>Group Health</b>	<b>Aetna</b>	<b>\$719,144</b>
<b>Group Health</b>	<b>United Healthcare of Ohio</b>	<b>\$765,316</b>
<b>Group Health</b>	<b>PHP</b>	<b>\$598,629</b>
<b>Group Health</b>	<b>Pittman Associates</b>	<b>\$508,605</b>
<b>Life Plan</b>	<b>Metropolitan Life</b>	<b>\$6,636,935</b>
<b>Dental Assistance Plan</b>	<b>Metropolitan Life</b>	<b>\$1,046,106</b>

<b>Travel Accident Plan</b>	<b>Life Insurance Company of North America</b>	<b>\$16,000</b>
<b>Special Accident Insurance Plan</b>	<b>Life Insurance Company of North America</b>	<b>\$278,548</b>

For the plan year ended December 31, 2001, the total claims paid were \$114,309,564 and administrative expenses were \$684,191. Details of claims paid and expenses incurred are included in the insurance company financial statements provided to the plan sponsor. Employees provided \$24,805,238 of funds to pay these premiums, claims and expenses and \$109,709,530 was provided by the employers.

The financial statements of the Group Welfare Benefit Plan also reflect the postretirement benefit obligations of the employers. This obligation represents the present value of future benefits to be paid to covered participants. The benefit obligation is determined by the plan actuaries. As of December 31, 2001, the benefit obligation was \$929,808,091 as compared to the benefit obligation at January 1, 2001 of \$818,655,440. The increase in benefit obligation of \$111,152,651 is attributed to a change in benefit obligation of \$110,844,000 and an increase in claims incurred but not yet reported of \$308,651.

**Plans maintained separately by the sponsoring companies**

**BWXT Y-12, L.L.C.**

In addition to the multiple employer plans above, BWXT Y-12, L.L.C. sponsors the following Plans: Special Medical Plans for LMUS Retirees, Long Term Disability Plan, Cafeteria Plan, Employee Assistance Plan, Educational Assistance Plan, Prescription Drug Plan (financial data included in The Group Health Plan) and The Severance Plan for Salaried Employees.

Annual reports are filed for each of these plans.

**UT-Battelle, L.L.C.**

**In addition to the multiple employer plans above, UT-Battelle, L.L.C. sponsors the following Plans: Prescription Drug Plan (financial information is included in The Group Health Plan), Cafeteria Plan, Long Term Disability Plan, Employee Assistance Plan, Educational Assistance Plan and The Severance Plan for Salaried Employees.**

**Annual reports are filed for each of these plans.**

**For more detailed information**

**To obtain a copy of the full or partial annual reports for the insurance plans, retirement program plan or savings program, write to Plans Administrator: BWXT Y-12, L.L.C., 104 Union Valley Road, Oak Ridge, TN 37831-6497. Copying costs are 25 cents per individual page; \$4 for the complete insurance plans; \$5 for each savings plan annual report; and \$10 for the entire retirement program plan annual report.**

**With regard specifically to the retirement program plan and savings plans, participants have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, a statement of income and expenses of the plan and accompanying notes, or both.**

**For each participant requesting a copy of the full annual report, these two statements and accompanying notes will be included as part of that report. The copying cost previously mentioned does not include a charge for duplicating these portions of the report because they are furnished without charge.**

**Participants also have the legally protected right to examine the insurance, savings or retirement program plan annual reports at the main office, located at 104 Union Valley Drive, Rm. 126, Oak Ridge, Tenn., and at the U.S. Department of Labor in Washington, D.C.**

**Participants also may obtain copies from the U.S. Department of Labor upon payment of copying costs. Requests to the Department of Labor should be addressed to: Public Disclosure Room, N4677, Pension and Welfare Benefit Programs, Frances Perkins Department of Labor Building, 200 Constitution Avenue, N.W., Washington, DC 20216.**

